

ALAN R MACKAY & COMPANY LIMITED

COMPANY NUMBER: 114821

REPORT AND ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2003



AUDITORS' REPORT TO THE MEMBERS OF

ALAN R MACKAY & COMPANY LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the Abbreviated Accounts on Pages 2 to 5, together with the Financial Statements of Alan R MacKay & Company Limited prepared under Section 226 of the Companies Act 1985, as amended, for the year ended 31st December 2003.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors are responsible for preparing the Abbreviated Accounts in accordance with Section 246 of the Companies Act 1985, as amended. It is our responsibility to form an independent opinion as to whether the Company is entitled to deliver the Abbreviated Accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and Accounts to be delivered have been properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the Financial Statements, that the Company is entitled to deliver Abbreviated Accounts and that the Abbreviated Accounts to be delivered are properly prepared. The scope of our work for the purpose of this Report does not include examining or dealing with events after the date of our Report on the Financial Statements.

OPINION

In our opinion, the Company is entitled to deliver Abbreviated Accounts, prepared in accordance with Sections 246(5) and 246(6) of the Companies Act 1985, as amended, and the Abbreviated Accounts on Pages 2 to 5 have been properly prepared in accordance with those provisions.

OTHER INFORMATION

On 7th April 2004, we reported as Auditors of Alan R MacKay & Company Limited to the members on the Financial Statements prepared under Section 226 of the Companies Act 1985, as amended for the year ended 31st December 2003 and our Audit Report was as follows:

We have audited the Financial Statements on Pages 7 to 15, which have been prepared under the historical cost convention and on the basis of the Accounting Policies set out on Page 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on Page 5 the Company's Directors are responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION /.....

AUDITORS' REPORT TO THE MEMBERS OF

ALAN R MACKAY & COMPANY LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985 (CONTINUED)

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Financial Statements, and of whether the Accounting Policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

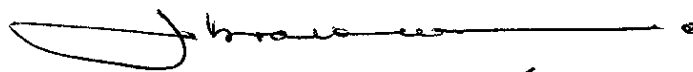
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

OPINION

No amortisation of Goodwill purchased prior to 1st January 2003 has been made, contrary to FRS 10.

In our opinion amortisation over a twenty year period should have been made. This would have the effect of reducing the Profit and Loss Account Reserve and Net Assets by £77,330.

Except for the above, in our opinion the Financial Statements give a true and fair view of the state of the Company's affairs as at 31st December 2003 and of its Profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Galbraith McEwan & Company
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

7th April 2004

ALAN R MACKAY & COMPANY LIMITED

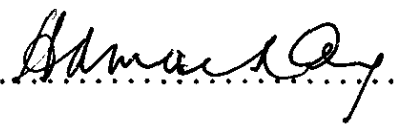
BALANCE SHEET AS AT 31ST DECEMBER 2003

	Notes	2003	2002
FIXED ASSETS			
Intangible Asset	2	194,656	166,656
Tangible Assets	4	84,222	118,294
Investments	3	9,820	9,820
		<u>288,698</u>	<u>294,770</u>
CURRENT ASSETS			
Debtors		522,415	464,471
Cash at Bank and in Hand		481,317	162,259
		<u>1,003,732</u>	<u>626,730</u>
CREDITORS:			
Amounts falling due within one year		999,072	666,037
NET CURRENT ASSETS/(LIABILITIES)		<u>4,660</u>	<u>(39,307)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		293,358	255,463
CREDITORS:			
Amounts falling due after more than one year	6	42,101	49,263
		<u>251,257</u>	<u>206,200</u>
CAPITAL AND RESERVES			
Called Up - Share Capital	5	100,000	100,000
Profit and Loss Account		151,257	106,200
		<u>251,257</u>	<u>206,200</u>

In preparing these Abbreviated Financial Statements:-

Advantage has been taken of the exemptions conferred by Part III, Schedule 8 of the Company's Act 1985; as amended, on the grounds that in the Directors' opinion, the Company is a small Company as defined because it satisfies the criteria for the exemptions.

The Financial Statements on Pages 7 to 15 were approved by the Board of Directors on 7th April 2004 and signed on its behalf by:-

..... DIRECTOR

ALAN R MACKAY & COMPANY LIMITED
 NOTES TO THE ABBREVIATED ACCOUNTS
 FOR THE YEAR ENDED 31ST DECEMBER 2003

1. ACCOUNTING CONVENTION

The Accounts are prepared under the Historical Cost Convention.

DEPRECIATION

Depreciation is provided on all Tangible Fixed Assets on the following basis:-

Office Furniture & Equipment	-	25% Reducing Balance
Motor Vehicles	-	25% Reducing Balance
Tenant's Improvements	-	20% Straight Line
Computer Equipment	-	33.3% Straight Line

HIRE PURCHASE COMMITMENTS

Assets obtained under Hire Purchase are capitalised in the Balance Sheet. The Interest element of the obligations is charged to the Profit and Loss Account over the period of hire and represents a constant proportion of the balance of capital repayments outstanding.

DEFERRED TAXATION

Deferred taxation has not been provided in these Accounts as no liability is deferred by reason of differences between profits as computed for taxation purposes and profits as stated in the Accounts.

GOODWILL

Goodwill represents the cost of acquiring certain clients accounts and no amortisation has been applied for Goodwill purchased prior to 1st January 2003 which is a departure from FRS 10.

2. INTANGIBLE ASSETS

	2003	2002
Goodwill	194,656 =====	166,656 =====

3. UNLISTED INVESTMENTS

Isle of Arran Distillers Ltd - Bond	420	420
Debentures Murrayfield	9,400	9,400
	9,820 =====	9,820 =====

4. TANGIBLE ASSETS

ALAN R MACKAY & COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2003 (CONTINUED)

4. TANGIBLE ASSETS

	Total	Motor Vehicles	Office Furniture & Equipment	Tenants Improvements
COST:				
As at 1st January 2003	263,980	103,224	153,124	7,632
Additions	49,206	44,410	4,796	-
Disposals	(106,486)	(62,010)	(44,476)	-
As at 31st December 2003	206,700	85,624	113,444	7,632
DEPRECIATION:				
As at 1st January 2003	145,686	50,077	89,874	5,735
Charge for Year	46,211	17,786	26,843	1,582
Disposals	(69,418)	(37,245)	(32,173)	-
As at 31st December 2003	122,479	30,618	84,544	7,317
NET BOOK VALUE:				
As at 31st December 2003	84,222	55,006	28,900	315
As at 31st December 2002	118,294	53,147	63,250	1,897

5. SHARE CAPITAL

	2003	2002
Authorised		
Ordinary Shares of £1 each	200,000	200,000
	=====	=====
Allotted, Called up and Fully Paid		
Ordinary Shares of £1 each	100,000	100,000
	=====	=====

6. CREDITORS - Amounts Falling Due After One Year

ALAN R MACKAY & COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2003 (CONTINUED)

6. CREDITORS - Amounts Falling Due After One Year

	2003	2002
Obligations under Hire Purchase Contracts	42,101 =====	49,263 =====
Amounts Payable Within One Year	36,412	29,288
In the Second to Fifth Year Inclusive	47,014	53,828
	-----	-----
	83,425	83,116
Less: Finance Charges Allocated to Future Periods	8,864	7,266
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	74,561	75,850
	=====	=====
Analysed as Follows:-		
Current Obligations (Note 15)	32,460	26,587
Non-Current Obligations	42,101	49,263
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	74,561	75,850
	=====	=====